

MEETING OF CLYDE GATEWAY DEVELOPMENTS LIMITED

Minutes of Meeting of 25 August 2023

Present: David Bankier
Councillor Robert Brown (South Lanarkshire Council)
John Gallacher (Chair)
Councillor Greg Hepburn (Glasgow City Council) (via Teams)
Stuart Heslop
Martin McKay (Clyde Gateway)
Derek Shaw (Scottish Enterprise)

Apologies: None

In attendance: Alison Brown (South Lanarkshire Council)
Dougie Cameron (Clyde Gateway)
Allan Drysdale (Clyde Gateway)
Michael Gray (Glasgow City Council)
Barry Macintyre (Clyde Gateway)
Louise McCormack (Clyde Gateway)
Bernadette Pollock (Clyde Gateway)
Angela Rowley (Clyde Gateway)
Jamie Shields (Clyde Gateway)
Niki Spence (Clyde Gateway)
Lynne Valentine (Clyde Gateway)
Robert Young (Clyde Gateway)

1. Welcome, introductions, apologies and declarations of interest

John Gallacher welcomed everyone to the meeting. No apologies had been received.

There were no declarations of interest.

2. Minutes of previous meeting and any matters arising

The Minutes of the previous Board meeting of Clyde Gateway Developments Limited, held on 30 June 2023, were submitted, and approved.

3. Chief Executive's Report

Martin gave a verbal report during which he covered the following:

- Advised that the Financial Statements for the Company were being presented to the meeting and that the Auditors had given an unqualified clean audit, and he thanked the Finance team for their work in helping to deliver the accounts;
- Updated on the Capital Programme and Property noting that the first letting at Eastworks had been secured, and the marketing suite had now opened and a events had taken place to mark this. New Olympia House was very close to practical completion and was expected to be confirmed imminently, and that site start had commenced at Clyde Gateway East;
- Highlighted ongoing work to attract High Value Manufacturing to the area, and in this regard an on site visit from the Chief Executive of Scottish Enterprise had been organised early in September;
- Informed that an appointment had been made to the position of Executive Director of Regeneration, and that Martin Joyce had accepted the offer. Martin was a Chartered

Architect with extensive experience, currently working at the University of West of Scotland, and had had previous roles at Western Isles and Scottish Borders Councils.

- Gave a brief update on Shawfield, noting that a report providing information on progress was on the agenda;
- Mentioned that it was intended to hold a development session for members of both Boards and the Community Committee focusing on future priorities and developments. Work was taking place to identify a date and it is proposed that the session be held at the Bothy.

The Board noted the verbal update by the Chief Executive.

4. For approval

4.1 CGDL Financial Statements to 31 March 2023 - CGDL23(AUG)01

Bernadette Pollock presented a report seeking approval of the Financial Statements for Clyde Gateway Developments Limited for the period to 31 March 2023. She advised that these had been considered by the Audit & Evaluation Committee at its meeting on 18 August 2023 which had recommended them to the Board for approval.

The Board approved the Financial Statements.

4.2 Red Dalmarnock – Commercial Development - CGDL23(AUG)02

Dougie Cameron presented a paper seeking Board endorsement of a revised development strategy for the site at the corner of Clyde Gateway and Dalmarnock Road to deliver high value manufacturing (HVM) hybrid commercial space.

After consideration the Board approved:

- i) the strategic intent for Clyde Gateway Developments Limited (CGDL) to directly develop the site at Clyde Gateway / Dalmarnock Road at a forecast cost of ██████████ excluding recoverable VAT and noting the final investment decision, including funding sources, will be subject to consideration at a future Board; and
- ii) a budget of up to ██████████ excluding recoverable VAT to progress this initiative up to RIBA Stage 4 – Technical Design together with surveys, legal and other pre-construction fees.

4.3 NBD Shawfield Insurance Requirements – CGDL23(AUG)03

Lynne Valentine presented a paper seeking Board approval for the purchase of a five-year Premises Pollution Liability insurance policy for Shawfield Phases 1, and a six-month extension to the existing policy at Shawfield 2 WP1. Provision was also requested for 4.5-year policies at Shawfield Phase 2 WP1 and WP3, at a combined cost of ██████████, and a reallocation of the insurance budget was also sought.

During discussion the Board sought reassurance that the policies being purchased were appropriate for what was required and that there was no wording or clauses within the policies which may cause issue, and in response it was noted that officers were confident that this was the case, having been assured by advice from the insurance brokers.

After consideration the Board approved the purchase of insurance cover at Shawfield, which included:

- i) A five-year extension to Phase 1 at a cost of ██████████ including Insurance Premium Tax (IPT);
- ii) A six-month extension to Phase 2 (Work Package 1) at a cost of ██████████ including IPT;

- iii) An allowance for a 4.5-year extension to the Phase 2 (Works Package 1) policy in six months' time at an estimated cost of [REDACTED] including IPT; and
- iv) An allowance for a 4.5-year policy to cover Phase 2 (Works Package 3) at a cost of [REDACTED] including IPT.

For information

4.4 NBD Shawfield (Phase 2) – Land Acquisition Update - CGDL23(AUG)04

Robert Young presented a paper which provided a status update relative to the acquisition of two remediation targets at Shawfield Phase 2 and highlighted the terms agreed with Standard Real Estate Ltd (SREL) to progress the acquisition of 249 Glasgow Road, Shawfield.

The Board noted the contents of the report and the terms agreed with Standard Real Estate Ltd to progress the acquisition of 249 Glasgow Road.

4.5 Red Tree @EastWorks - CGDL23(AUG)05

Dougie Cameron presented a paper which asked the Board to note the content and the further assessment undertaken to develop proposals for a reduced scope Red Tree at EastWorks office space.

It was advised that the final investment decision, including funding sources, will come back for consideration at the next available Board.

The Board noted the content of the report and the further assessment required to develop proposals for a reduced scope Red Tree at EastWorks office space.

4.6 NBD Shawfield Strategic Update - CGDL23(AUG)06

Jamie Shields presented a paper giving an update on progress at Shawfield and providing the Board with a copy the draft Outline Business Case (OBC) that is currently subject to further discussions with key stakeholders and partners.

Martin McKay expanded further on the OBC and stressed the key strategic importance of the site and that the decontamination work was vital to addressing the wider environmental concerns, such as improving river quality.

The Board noted the continued strategic intent for Clyde Gateway to intervene in Shawfield and that progress will be reported back to the Board as appropriate.

4.7 Audit & Evaluation Committee Meeting – 18 August 2023 - CGDL23(AUG)07

Allan Drysdale presented a paper providing details of the most recent meeting of the Audit & Evaluation Committee (AEC) which took place on Friday 18 August 2023.

The Board noted the content of the paper.

4.8 Audit & Evaluation Committee – Annual Report - CGDL23(AUG)08

David Bankier, Chair of the Audit & Evaluation Committee, presented a report which provided a summary of the audit work undertaken during 2022/23.

John Gallacher thanked the members of the Audit & Evaluation Committee for their oversight of finance and audit aspects on behalf of the company.

After consideration the Board noted the report.

4.9 Finance Report to 31 July 2023 – CGDL23(AUG)09

Louise McCormack presented a paper which provided an overview of financial activity for the four months to 31 July 2023.

Louise highlighted that actual income was ahead of forecast and drew the Board's attention to the three key financial goals which were set out in the report.

The Board noted the contents of the report.

4.10 Capital Programme – Update – CGDL23(AUG)10

Jamie Shields presented a paper which provided a progress report on the capital development programme, including details of projects at the pre-development stage.

The Board noted the contents of the report.

5. Any Other Business

No further items of business were raised.

6. Date, time and venue of next meeting

The Board noted that the next meeting would be held on Friday 27 October 2023 at 1:00pm, venue to be confirmed.
